

# Credit Information Bureau (CIB)

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# CIB – A Brief History

- Established in January 1992 (First ever in the Region).
- Technological improvements from time to time.
- Went online from 25<sup>th</sup> April 2003 (First ever in the Region).

# Objectives of the CIB

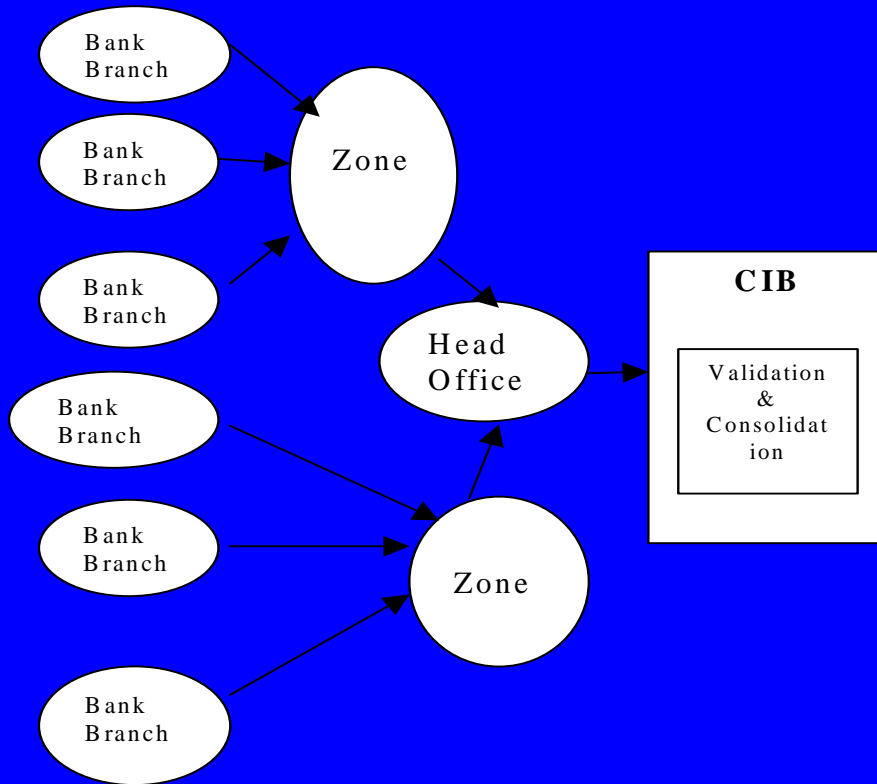
- ❑ To discharge statutory obligation under section 25-A of Banking Companies Ordinance whereby the SBP is required to collect and make credit information available to banking companies.
- ❑ To provide maximum information so that financial institutions can take informed credit decisions.
- ❑ To track connected lending for supervisory purposes.

# Scope of Credit Bureau

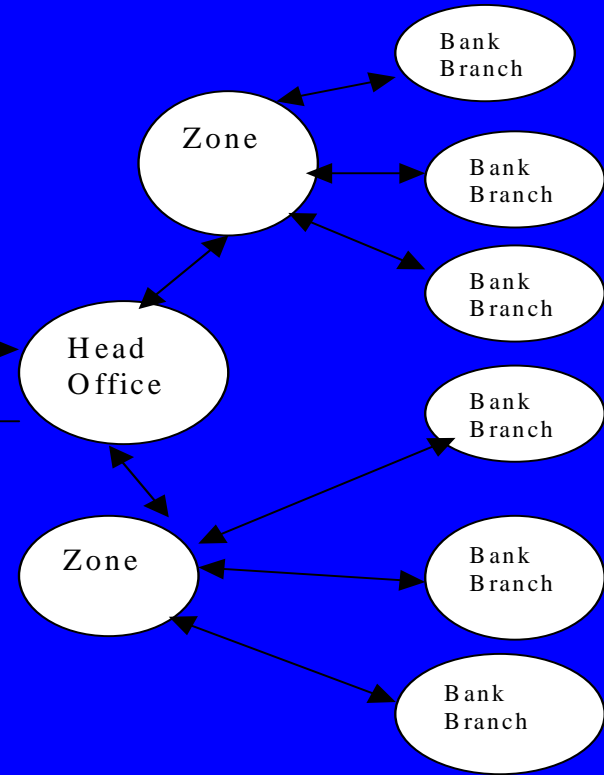
- Collect data of borrowers of Pak. Rs. 500,000 and above..... On Monthly basis.
- Credit data of last over ten (10) years is preserved.
- Name of reporting financial institutions is not disclosed.
- Provide both positive and negative information.
- Provide information on borrower as well as group entities.

# CIB PROCESS BEFORE GOING ON-LINE

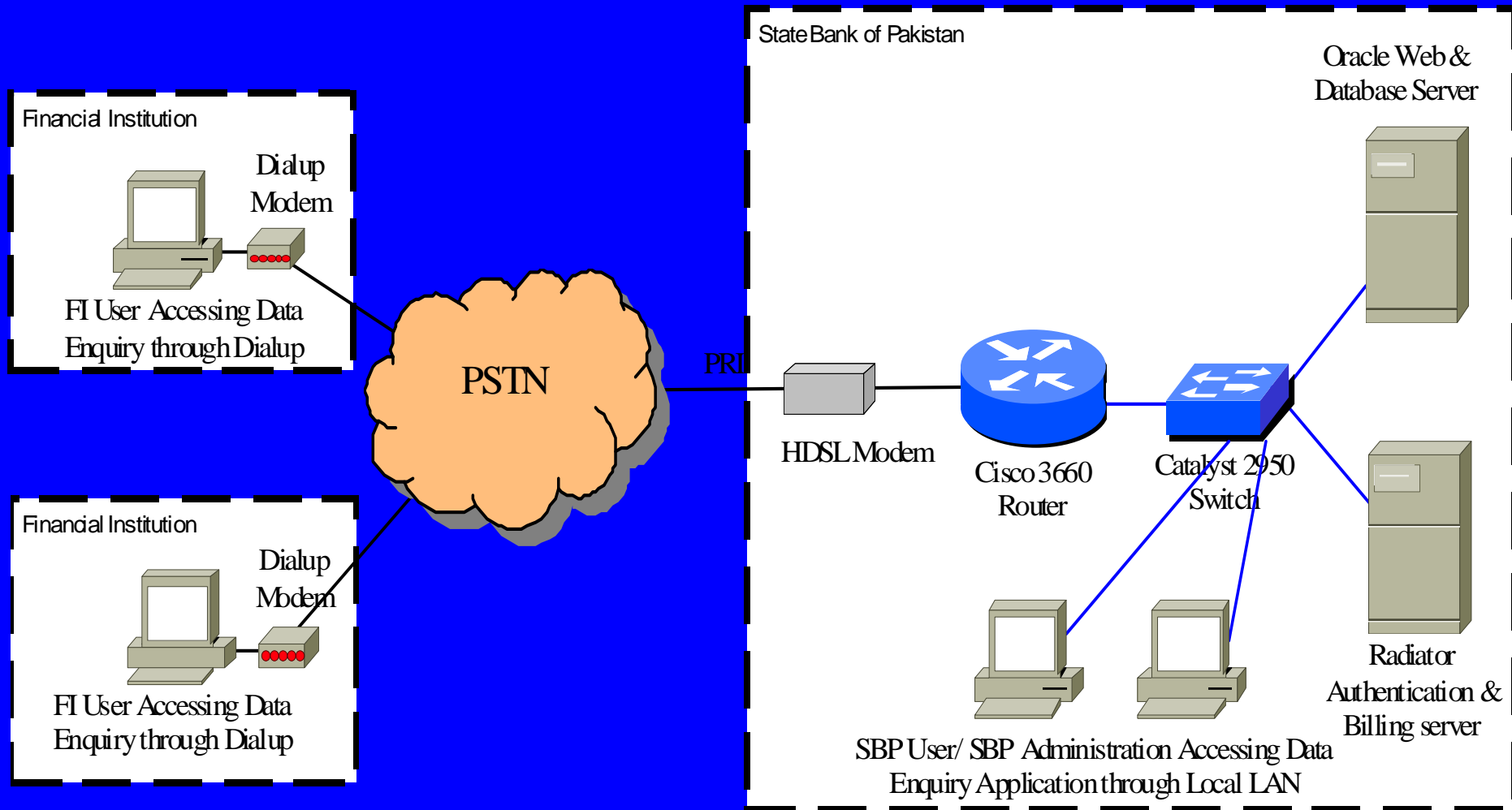
## CIB Data Flow



## CIB Reports Flow



# CIB PROCESS AFTER GOING ON-LINE



# Scope of Data Collected

## A) Borrower's Profile

- Name,
- Address
- Tax ID
- Name of owners of the firm
- Field of business activity
- Others

## B) Monetary data

- Amount and type of loan
- Overdue liabilities

(By 90/365 days past due)

## C) Name and other particulars of reporting Financial Institutions

Main Menu

# eCIB

Search & Run CIB Report

Print All CIB Report

Submit Data to SBP

Change Information

Change Password

Support

Administration

About

Exit



Main Menu



# Credit Report & Credit Data

- Obtaining Credit Report is mandatory under Prudential Regulations, for financing of Rs 500,000 and above.
- Reporting of data of borrowers of Rs 500,000 & above is also mandatory for all banks/NBFCs.
- Monetary penalties for non, late, and wrong submission of credit data.

# Reporting Institutions

● Banks: .....	40
– Foreign Banks.....	11
– Domestic Banks.....	29
● DFIs.....	06
● NBFCs.....	85
Total .....	131

(All institutions are reporting data to CIB)

# Key Statistics of the Bureau

- Total Value of Credits in the Bureau database – Pak. Rs. 1,553.9 billion
- Number of borrowers in the CIB System 165,619
- Number of reports issued during 2003 .. 218,152
- Number of Consultations to the database per month – 18,179

# Other Credit Information Bureaux in Pakistan

- M/s Datacheck (Pvt) Ltd.
- M/s News VIS Credit Information Services (Pvt) Ltd.
- M/S International Credit Information Ltd.

## Legal and Regulatory challenges to information sharing

- Absence of licensing and regulatory framework for private bureaux.
- Restriction on Banks on sharing clients data with any one except SBP.
- Restriction on SBP not to disclose the name of FIs in the Credit Report.

# Current Developmental Activities

- Consideration of removal of data reporting limit to capture SME sector and consumer financing.
- Improvements in the Credit Reports . . . Credit History, Separate report formats for corporates and individuals.
- Integration with the Database of National Database & Registration Authority (NADRA)...  
A Govt. Department responsible for issuance of Computerized National Identity Card (CNIC).

# Current Developmental Activities (Contd...)

- Initiated World Bank funded project to further develop national credit information systems in Pakistan under its Technical Assistance .. TABS.

## Objectives :

- i) Guide SBP in the matter of setting up credit bureaux in the private sector;
- ii) Specify the parameters under which such bureaux can be established, to collect and disseminate data and safeguard against misuse of credit information;

## Current Developmental Activities (Contd...)

- iii) Lay down the enabling legal framework;
- iv) Increase the knowledge base of a small group of SBP specialists.

Thank You